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MR. SPEAKER :—" The question is—

' *Add* the following at the end of clause 5 :—

" and the following words shall be added at the end, namely—

' women offenders shall be arrested by women police or by policemen assisted by qualified women social workers ' " '."

The amendment was put and lost.

Clause 5 was put and carried.

Clause 1.

Clause 1 was put and carried.

Preamble.

The Preamble was put and carried.

THE HON. SRI C. SUBRAMANIAM :—" Sir, I move—

' *That the Madras Suppression of Immoral Traffic* (*Amendment*) *Bill*, 1954, *be passed into law.*' "

MR. SPEAKER :—" The question is—

' That the Madras Suppression of Immoral Traffic (Amendment Bill, 1954, be passed into law.' "

The motion was put and carried.

VII.—HALF-HOUR DEBATE *RE* CLOSURE OF AARON SPINNING AND WEAVING MILLS.

MR. SPEAKER :—" I will now call Mr. T. C. Narayanan Nambiar to speak. I will allow him ten minutes. Then Mr. K. P. Gopalan may speak for ten minutes. The Hon. Minister will reply afterwards. It is now 4-20. The debate will end at 4-50."

* SRI T. C. NARAYANAN NAMBIAR :—" Sir, it is 114 days since the Aaron Mills, Papinasseri, has been closed. During this short period four memoranda were submitted to the Government and several representations were made to the Labour Department. Before the closure of the Mill, the Workers Union of the Mill approached and informed the Government that, unless they interfered immediately, dangerous consequences would follow. When the Mill was closed by the Management, there was an industrial dispute pending before the Special Industrial Tribunal, Madras, regarding the involuntary unemployment caused by the electricity cut. The Management closed the Mill without giving notice either to the Government or to the workers and thus violated section 33 of the Industrial Disputes Act. Workmen have not been paid the wages due to them for two months prior to the closure of the Mill. 4-20 p.m.

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Textile industry has been declared a public utility service and as such, it was obligatory on the part of management to have given notice. It is a history of violations of the Factories Act and the other Acts relating to labour, and yet the Government did not raise their little finger against such conscious violation of the labour Acts. By closing the factory when conciliation proceedings in an industrial dispute was pending, the Management violated the provisions of the Factories Act. What I wish to point out is that the closure is due to the silent and indirect help given by the Government inasmuch as they did not interfere in the matter. Another point that I have to bring to the notice of the House is that the indigenous textile factories all over this State are almost in a crisis. Commodities are piling up and people have not got the purchasing power to buy those goods. It is the duty of the Government to help these indigenous factories. I find that the Government are not coming forward to help these industries. Mr. Samuel Aaron, Managing Director of the Aaron Spinning and Weaving Mills, Papinasseri, approached the Government for some pecuniary help, and it was refused on the plea that it was not the policy of the Government to render such help. It is one of the most important textile mills on the West Coast and it will be a national calamity if the Government do not see that it is re-opened. Nearly 1,400 workers have been thrown out of employment and we may take it that each worker has to support about five dependants on an average. We can very well imagine the misery and hardship caused to these people. As I pointed out this morning, the Management has mortgaged the Mill. According to the Indian Companies Act, I think the relevant provision is section 230, the first charge on the assets of the Mill is the sum due to the debenture-holders and the creditors. If the movable and immovable property is sold for meeting this charge, there will be nothing left for the workers. Therefore it has become the patriotic and democratic task of the workers union to see that wages are realized for which any just action will be justified by general law and by humanity. Ministers including the Hon. Chief Minister were saying on the floor of this House that it was the Communists and Trade Union leaders that were fomenting trouble. I most seriously ask who were creating trouble here. Can we see anywhere in the State workers having more patience than the Aaron Mill workers who waited for two months for receiving even their wages? Can we see a Government anywhere in the country which do not come forward to save the workers? The workers applied for some relief. We, the Members of this House, requested the Government on the floor of this House at least to start some gruel centres for the unemployed workers. Nothing was done. After so much of hue and cry and after several deputations waited on the Central Government, we are told through the Press that the President of the Indian Union has passed orders to give some relief. The Malabar Collector was authorized to give Rs. 200 for workers. I was told that first this amount was entrusted to the Welfare Officer for disbursement. But that was not done.

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Again we represented and orders were issued that rice should be distributed to the workers through the agency of Tahsildars. That also has not been carried out. Epidemics are raising their heads in Papinasseri and the surrounding areas. The condition of the unemployed workers is very miserable. Unless the Government come forward immediately to give some relief, their condition will become worse.

"Wages were paid to the workers not in cash but in kind in the shape of cloth, rice, tobacco, etc. This is contrary to the payment of Wages Act. Even this was not opposed because we wanted that somehow the Mill should be run and we were hoping that the Government would come forward with some help. The wages due to the workers up to 12—1—1954 was Rs. 28,034–6–3 according to the calculation made by the Labour Commissioner or some other departmental officer. The pay due to the workers for holiday work for the year 1953 was Rs. 6,390–8–3 and lay-off wages Rs. 58,303. The arrears of salary for staff excluding the salary for the months of March and April are Rs. 13,406 and if the salary for March and April is added, the arrears will increase by about Rupees 5,000. The gratuity due to the discharged staff is Rs. 34,463, involuntary unemployment allowance is Rs. 58,303 and leave salary for staff and officers is Rs. 6,888. I do not know what steps the Government are going to take to see that the workers are paid the amount that is due to them. I wish to bring to the notice of the Hon. Minister and the Government another important point. The Management made a deduction from the wages of workers for provident fund purposes. I am told that the provident fund amount also has not been given to the workers. The position about the provident fund amount has got to be clarified.

"I do not want to take any more time of the House. I request that immediate steps be taken to re-open the Mills. I as a Member representing the constituency and as the President of the Workers Union in the Papinasseri Mills assure the Government that the workers and the people of the locality are prepared to co-operate with the Government in their efforts to re-open the Mill. I once again request the Government to take steps immediately for giving relief to the workers and to see that the workers are not denied the money that is due to them."

* SRI K. P. GOPALAN :—" Mr. Speaker Sir, as far as the closure of the mills is concerned, I submit that it is the duty of the Government to see whether the closure is *bona fide* or *mala fide*. I beg to submit that this Government have acted very badly in this matter. Not only that; this Government never cared to honour their own Acts and rules. This Government have gone against their own labour laws. First of all, the Aaron Mills management cannot close the mills without giving notice either to the Government or to the Labour Department or to the workers. Therefore, the closure of the mills is illegal. Secondly, when there is a labour dispute pending before the conciliation officer, 4–30 p.m.

without his permission, if a closure is made, such closure is illegal according to section 33 of the Industrial Disputes Act and the management can be prosecuted for the illegal closure under section 31 of the Industrial Disputes Act. Moreover salaries and other dues of the workers run to the tune of Rs. 2 lakhs and odd. According to the Payment of Wages Act, the salaries of the workers must be given every week. The management has violated this provision in the Payment of Wages Act, and, therefore, the management can be punished for the violation of this Act also. I want to bring to the notice of the House another point in this connection. There is a case pending before the Court. The management can also be prosecuted for closure of the mills according to this Industrial Disputes Act. I want to submit that if a labourer were to contravene any of the labour laws, the Congress Government will arrest him and put him to jail. In Cannanore there was a Municipal strike and it took some hours for the notice to reach the Municipal Commissioner. I was then arrested. I want to ask this Government what action did they take against the management who deliberately violated so many laws. I want to state before this House that the Labour Department and the Labour Minister wanted to help the management, and they never wanted to solve this problem. I am certain that the labour policy and the industrial policy of the Government have been responsible for the closure of so many mills in this State. If the Government adopt this attitude towards the owners who close the factories, the factory owners will surely close so many of their factories in future also. This Government will keep their hands tied and they will not do anything also. The Pappinesseri workers have got a national tradition. They have suffered in the national struggles. They requested the Government to open gruel centres and supply them with free rations. But the Government have not done anything. Now the Government have taken steps in the matter, because the Indian Bank is involved. A sum of about Rs. 10 lakhs is due to the Indian Bank. The Labour Commissioner comes in in the name of the management. I want to submit before the House that we will help the Government in settling the dispute. We always wish that the Government should be helped in the settlement of labour disputes. But when the workers are in distress, the Government never come to their rescue. The Government want to help the capitalists only. I want to tell this Government that this is a test case for them. Whether they are going to help the capitalists or the workers or whether they are going to follow the laws of this State, and come to the rescue of the workers, will have to be seen. I have said already that the Trade Union leaders are ready to give whatever help is required by the Government. The Labour Officer can, if he wants, go before the Commissioner for the purpose of making payments to the workers under the provisions of the Payment of Wages Act. But the Labour Department and the Labour Commissioner miserably failed in this matter. The result is that 1,300 workers are thrown into the streets, and thousands of families, depending on these

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workers, are starving. I request the Government, therefore, to take immediate steps in the matter. Sir, the ex-Chief Minister (Sri C. Rajagopalachari), when it was brought to his notice that a particular factory was closed, said that he would make enquiries. But he never enquired. No action was taken. The factory was closed. My respectful submission is that whenever Hon. Ministers make any statement in the House, they must act quickly. They must see that a human approach is made by the Labour Department. I request the Government to act quickly. Either they must see that the factory is opened, or that they take over the factory or organise reilef to workers.

"With these few words, Sir, I resume my seat."

* SRI K. T. SREEDHARAN :—"Sir, the Aaron Spinning and Weaving Mills was closed on the 12th January 1954. More than 1,200 workers are involved, and they are practically thrown into the streets. The closure is illegal for many reasons. First, this concern comes under the essential utility services, and, as such, definite notice has to be given to the Government and the workers before effecting closure. The management has not done so. A specific issue is pending before the Special Industrial Tribunal for deciding the question of payment of compensation to the workers for the involuntary unemployment caused to them due to the power cut in 1952-53. There is therefore a clear violation of section 33 of the Industrial Disputes Act. Conciliation Proceedings were going on when the closure was effected. Proceedings were going on for payment of arrears of dearness allowance at the rate of 3 annas per point and for grant of leave facilities, etc. When conciliation proceedings are going on, the management cannot close down the factory at all. Again, the management has not given notice to its workers that there will be no compensation for the lay-off period. Here also the management has flouted the provisions of the Act. Though the management has flouted the Act, the Government have not taken proper steps or made an enquiry into the whole affair. The only thing that can be inferred from the silence or the inertia of the Government is that they are always with the capitalist. If the Government are really interested in safeguarding the rights and interests of the workers, certainly they should have seen that the management did not commit any illegal act. As soon as the factory was closed, the Union representatives and others who are interested in labour, wrote to this Government that some immediate steps should be taken to relieve the distress of the workers who were thrown out of employment. But I am sorry to state that the Government did not at all move in the matter. The workers are suffering very much for want of means to eke out their livelihood. The Government must now at least—though belated—come to the rescue of these suffering workers so that their suffering may be mitigated. The Government should see that the mill is reopened. I reliably understand that the management has

applied for financial help to this Government and also to the Central Government. This Government have not done anything to extend financial help to the mills. I request the Government to recommend strongly to the Central Government the application of the mills for financial assistance to re-open the mills. I hope that this Government will immediately look into this matter and take steps to mitigate the sufferings of the unemployed workers."

4-40 p.m. * THE HON. SRI M. BHAKTAVATSALAM :—" Mr. Speaker, Sir, I explained in the morning during the question-hour the position of the Government with reference to this matter. It was, no doubt, unfortunate that the mill had to be closed as early as the 12th January 1954. It is very unfortunate that since then 1,400 mill workers have been without employment. Not only have they been without employment but also there have been lots of arrears of wages that they claim and they have to be paid. At least if the arrears had been paid, there would have been some relief. But, Sir, I would like to mention at once that it is no good throwing the charge on the Government for any act of omission or commission. Here is a mill. Perhaps there has been considerable mismanagement—I do not know whether it is a fact and I do not want to prejudice the issue. At the stage at which the mill stood on the 12th January 1954, the management found it absolutely impossible to carry on. They could not work any longer. They had no finance. The production was there. They could not dispose of it. Then, there were arrears of wages of the workers to be paid. There were also other arrears like electricity charges to be paid. There were arrears for several months. There were also other outstanding amounts. So, it was not possible for the management to continue the working of the mill.

" It was also, no doubt, true that there were some matters under the Industrial Disputes Act pending. There was the question relating to the compensation to be paid for the electricity cut. There were other such questions also. The mill was closed without notice. That was not legal, I agree. So far as the closing of the mill without notice when a matter under the Industrial Disputes Act is pending is concerned, the legal position is being thoroughly examined, and I can assure the hon. Members that the Government will take such action as is advised by the legal advisers. They will not hesitate to take any action that may be necessary in the matter. But the Government could not compel the mill to continue its working. The Government found that the management were physically unable to carry on after the 12th January 1954. They did ask for the aid of a loan from the Government of Madras. Sir, however much the Government may appreciate and sympathize with the lot of the 1,400 workers and however much they may feel that when they are anxious to solve the unemployment problem, unemployment is added to by this kind of closure of mills, when they consider the question of aiding a business concern by way of grant of a loan, they have to

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see whether the concern was financially sound. That is the responsibility of the Government. On such examination, the Government found—I do not want to say anything more which might prejudice the concern's prospects—that the concern was not financially sound and that it would not be proper on the part of the Government to give any loan. The management also applied to the Government of India and that application was forwarded by this Government to the Government of India. Now, on the one hand, hon. Members charged the Government that we did not care for the workers and that we sided with the capitalists. On the other hand, they again charged the Government that we did not care to come to the aid of the concern and freely give the loan asked for without looking into the financial position of the concern and the prospects of recovering the loan. I am unable to understand that attitude, Sir. The Government have been doing their best to see to what extent relief could be given to the workers. The hon. Member Sri K. P. Gopalan referred to the interest of the Indian Bank and insinuated that the Government were interested in capitalistic concerns like the Indian Bank: I do not know whether the Indian Bank is a capitalistic concern. I had a casual talk with the authorities of the Indian Bank and I learnt that they were interested in the unfinished goods on the looms and to that extent, they might come forward not only to pay wages to those who would work to complete the manufacture of the unfinished products but also to pay towards the arrears of pay of all the workers. So, I thought that, without any commitment on the part of the workers whether they could take advantage of that and have some relief, that could be pursued. I then discussed the matter with the Commissioner of Labour. He told me that this would depend on the attitude of the leaders of the Workers Union. Casually the hon. Gentleman Sri T. C. Narayanan Nambiar came to me on some other work. He is the President of the Labour Union. So, I put it to him. 'I casually got to know that there is a prospect of giving some relief if the looms could be worked to finish the manufacture of the unfinished products. You consider the matter deeply and if you think that without any prejudice to your claims and to your interests, you could pursue this, you may tell the Commissioner of Labour about it. I would suggest to you to discuss the matter with the Labour Commissioner.' This is what I told him. I told him again that I was not interested in this or that party and that I was interested only in the workers getting at least some relief. The hon. Member Sri Narayanan Nambiar was good enough to tell me that

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he would consider the suggestion and that he would discuss the matter with the Commissioner of Labour. Therefore, I suggested to the Commissioner of Labour—he had a programme to go elsewhere—that he could go to Cannanore once again and see if this temporary arrangement could be made which would mean some temporary relief to these poor workers. Now, I have received a report from the Commissioner of Labour that he had discussions with the concerned people in Cannanore. His report is as follows :—

'As a result of the discussions I had with the management of the Aaron Spinning and Weaving Mills, Ltd., represented by Sri Samuel Aaron, Sri A. K. Kunhali Kutty, Receiver on behalf of the Debenture Trustee, Sri N. Gopala Iyer, Secretary of the Indian Bank, Ltd., Madras, Sri T. C. Narayanan Nambiar, M.L.A., President of the Aaron Mills Workers Union and Sri K. P. Gopalan, M.L.A. on the 24th, 25th and 26th April 1954 at Cannanore, there was a general agreement that the mill should be reopened for the completion of the manufacture of goods left unfinished at the time of its abrupt closure on 12th January 1954, on the terms and conditions agreed to between the parties, viz.,

(1) That the mill be reopened to such number of workers as may be required in each department for the completion of the manufacture of goods left unfinished at the time of the closure in January 1954, on a *temporary* basis ;

(2) That the Indian Bank, Ltd., on behalf of the management, will pay arrears of earned wages to the workers amounting to about Rs. 28,000 besides a sum of Rs. 5 to each of the workers on the rolls of the Mill, to be adjusted later towards the amounts due to the workers for leave with wages, lay-off compensation, etc. These payments will be made after one week of resumption of work.

(3) That the workers so employed shall be paid the same rates of wages as they were paid at the time of the closure for the days they are employed in the mill.

(4) That the workers will afford full co-operation for the smooth working of the mill.'

The above is the report I have received this afternoon from the Commissioner of Labour. The hon. Member Sri Narayanan Nambiar who met me during my tour in Malabar also told me that they were willing to resume work on this temporary basis. This is what the Government have so far been able to do and there is no use charging the Government that they are siding with the capitalists or that they are apathetic towards the workers. We are further examining what more we could do in the matter. But the Government cannot be compelled to give a loan to the mill or to open the mill and run it themselves."

4-50 p.m. MR. SPEAKER :—" The House will now adjourn and meet again at 8 a.m. tomorrow."

The House then adjourned.